FILE COPY

Office-Supreme Court, U.S.
FILED
AUG 18 1959
JAMES R. BROWNING, Clerk

IN THE

Supreme Court of the United States

OCTOBER TERM, 1959

No. 321

SUN OIL COMPANY, *Petitioner*,

v.

FEDERAL POWER COMMISSION, *Respondent*

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

MARTIN A. ROW
EDWIN M. CAGE
P.O. Box 2880
Dallas, Texas

ROBERT E. MAY
OMAR L. CROOK
MAY, SHANNON AND MORLEY
1700 K Street, N. W.
Washington 6, D. C.

Attorneys for Petitioner

PRESS OF BYRON S. ADAMS, WASHINGTON, D. C.

INDEX

	Page
Opinion Below	2
Jurisdiction	2
Question Presented	2
Constitutional Provisions and Statutes Involved	3
Statement	3
Reasons for Granting the Writ	7
I. The Respondent's Orders Violate Section 7 of the Natural Gas Act	7
II. The Respondent's Orders Violate Section 4 of the Natural Gas Act	10
III. Respondent's Orders Deprive Petitioner of Property Rights Without Due Process of Law	13
IV. This Appeal Involves Important Legal and Other Considerations	15
Conclusions	16

TABLE OF CONTENTS OF APPENDIX

Majority and Dissenting Opinions in Court Below	1a
Judgment in Court Below	21a
Excerpts from the Constitution of the United States	22a
Excerpts from the Natural Gas Act	22a

CITATIONS

CASES:

Atlantic Refining Co. v. Public Serv. Comm., ... U.S. .... (Nos. 518 and 536, October Term, 1958) 3 L. ed. 1312, (Ad. Sheets)	8, 10, 14
Cities Service Gas Co. v. F.P.C. 255 F. 2d 860 cert. denied .... U.S. ...., 3 L. ed. 2d 73 (Ad. Sheets)	7

Page

Colorado Interstate Gas Co. v. F.P.C., 142 F. 2d 943 7

Colorado Interstate Gas Co. v. F.P.C., 324 U.S. 581 .. 7

Gulf Oil Corporation v. F.P.C., 255 F. 2d 556 13

Phillips Petroleum Company v. Wisconsin, 347 U.S. 672 .....3, 7, 11, 13, 16

United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 .....11, 12, 14, 15

CONSTITUTIONAL PROVISIONS:

Amendment V 3

Natural Gas Act of June 21, 1938, 52 Sta. 821, as amended, § 15 U.S.C. 717 et seq.:

Sec. 4 .....3, 13, 16
Sec. 4(c) 4, 10
Sec. 4(e) 11
Sec. 5 3
Sec. 5(a) 11
Sec. 7 .....3, 8, 14, 16
Sec. 7(b) 9
Sec. 7(c) 8, 11
Sec. 7(e) 8, 10
Sec. 19 3
Sec. 19(b) 17

IN THE

Supreme Court of the United States

OCTOBER TERM, 1959

No.

SUN OIL COMPANY, *Petitioner,*

v.

FEDERAL POWER COMMISSION, *Respondent*

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

Petitioner, Sun Oil Company, prays that a writ of certiorari be issued to review the judgment entered April 17, 1959 by the United States Court of Appeals for the Fifth Circuit (Cause No. 17,040) and the orders of the Federal Power Commission issued September 12, 1957 and November 8, 1957. The judgment affirmed the Federal Power Commission's orders issued September 12, 1957 and November 8, 1957.

OPINION BELOW

The order of the Federal Power Commission (in the form of a letter) issued September 12, 1957 (R., pp. 174-176) is not yet reported. The order of the Federal Power Commission issued November 8, 1957 (R., pp. 191-195) is reported in Volume 18 Federal Power Commission Reports (Preliminary Print) at pages 611-612. The majority and dissenting opinions of the Court of Appeals are reported in 266 F. 2d at pages 222-232 (Ad. Sheets) and are printed in Appendix A, pp. 1a-20a.

JURISDICTION

The judgment of the Court of Appeals was entered April 17, 1959 (Appendix A, p. 21a). Rehearing was denied June 3, 1959 (R., p. 247). The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1) and Section 19(b) of the Natural Gas Act.

QUESTION PRESENTED

(1) Does compliance with the certificate and rate filing requirements of Sections 4 and 7 of the Natural Gas Act with respect to a specific sale of natural gas pursuant to a contract of limited duration automatically constitute an unlimited commitment of the gas reserves specifically not dedicated in the contract of sale?

(2) Does the granting of an application for a certificate of public convenience and necessity pursuant to Section 7 of the Natural Gas Act authorizing a sale described in the application which requests authority *only* to continue a sale pursuant to a contract of fixed and limited duration constitute a certificate of unlimited duration?

(3) Does a new gas sales contract relating to a new sale of gas from leases from which there has been a previously completed sale, filed as a new rate schedule, pursuant to Section 4(c) of the Natural Gas Act, constitute a change in an unrelated expired contract filed as a rate schedule and applicable to the previous, completed sale from the same field?

CONSTITUTIONAL PROVISIONS AND STATUTES INVOLVED

This case involves the Fifth Amendment to the Constitution of the United States and Sections 4, 5, 7 and 19 of the Natural Gas Act, as amended (15 U.S.C. 717c, 717d, 717f, 717r), pertinent provisions of which are printed in Appendix B, pp. 22a-29a.

STATEMENT

Prior to this Honorable Court's decision in *Phillips Petroleum Company* v. *Wisconsin*, 347 U.S. 672 (1954), Petitioner entered into a contract dated August 26, 1947 with Southern Natural Gas Company ("Southern") for the sale of gas produced from certain unitized leases in the Gwinville Field in Mississippi (R., pp. 43-70). The contract was for a term of ten years from date of first delivery, September 3, 1947, and under its terms expired September 3, 1957 (R., p. 65). In connection with the price provisions of the contract, the contract specifically provided:

> "In this connection, it is understood that by this agreement Seller is not dedicating to Buyer, or to Buyer's market outlet, any portion of Seller's gas reserves in the Gwinville Gas Field or any portion of the gas produced by Seller from its wells in said field, but that Seller is simply selling and Buyer is purchasing the quantity of

gas called for in this agreement on the terms specified in this agreement and for the price set out above; * * *" (R., p. 62).

After this Honorable Court held the Natural Gas Act to be applicable to independent producers, Petitioner, on November 30, 1954, with jurisdictional reservations, filed the contract dated August 26, 1947 as its rate schedule, pursuant to the requirements of Section 4(c) of the Natural Gas Act (R., pp. 33, 43, 71). At the same time, Petitioner filed a request for a disclaimer of jurisdiction, or, in the alternative, an application for a certificate of public convenience and necessity with respect to the sale covered by the contract of August 26, 1947 (R., p. 35). The application recited Petitioner had undertaken a sale pursuant to a gas sales agreement being concurrently filed which was the contract of August 26, 1947 (R., p. 38). That contract was incorporated in the application by reference (R., p. 175). Petitioner requested a certificate "* * * authorizing the sale of natural gas in the circumstances above described" (R., p. 39). The Respondent accepted the contract dated August 26, 1947 as Petitioner's rate schedule (R., pp. 138-141). By an order issued May 28, 1956 (F.P.C. Docket No. G-6658), Respondent issued Petitioner a certificate of public convenience and necessity authorizing the sale of natural gas as described in the order and "* * * as more fully described in the application and exhibits in this proceeding" (R., pp. 145-161, 158).

On August 1, 1957 Petitioner entered into a new and unrelated contract with Southern for the sale of natural gas from the Gwinville Field, Mississippi. This contract was for a term of twenty years from and after September 3, 1957, the date of the expira-

tion of the contract of August 26, 1947 (R., pp. 99-132, 127). On August 13, 1957 Petitioner filed the contract of August 1, 1957 as a new rate schedule and filed a request for a disclaimer of jurisdiction, or, in the alternative, an application for a certificate of public convenience and necessity requesting authority to make the new sale contemplated by the contract of August 1, 1957 (R., pp. 162-164, 165-172).

By a letter order issued September 12, 1957, the first order reviewed by the Court of Appeals, the Commission *rejected*, without notice or opportunity for hearing, the certificate application and the new contract of August 1, 1957, filed as a rate schedule (R., pp. 174-176). The rate schedule filing was rejected without prejudice to Petitioner refiling the new contract of August 1, 1957 as a change in the rate in the contract dated August 26, 1947 and filed November 30, 1954 as a rate schedule (R., pp. 175-176). Petitioner filed a timely application for rehearing with respect to the order issued September 12, 1957, which the Commission considered as a motion for reconsideration and denied by an order issued November 8, 1957 (R., pp. 176-187, 188-190).

Petitioner, on October 10, 1957, filed under protest and reserving all rights to contest the order issued September 12, 1957, its contract dated August 1, 1957 as a change in its rate schedule consisting of its contract dated August 26, 1947 (R., pp. 133-138, 99-132). By an order issued November 8, 1957, the second order reviewed by the Court of Appeals, the Commission suspended the effectiveness of such filing as a rate change and ordered a hearing with respect to the prices set forth in the contract dated August 1, 1957 (R., pp. 192-196). Petitioner filed a timely application

for rehearing (R. 198-203). By letter dated December 10, 1957, the Secretary of the Commission rejected this application (R., pp. 204-205).

On January 6, 1958, Petitioner filed in the Court of Appeals for the Fifth Circuit a petition to review the Respondent's orders issued September 12, 1957 and November 8, 1957 (R., pp. 1-26). After a hearing, the Court on April 17, 1959, affirmed the Respondent's orders (Appendix A, pp. 1a-20a R., p. 207-231).

In its letter order issued September 12, 1957, the Commission stated that the certificate application with respect to the sale covered by Petitioner's contract dated August 1, 1957 duplicates the acreage covered by the certificate in Docket No. G-6658 and is still applicable thereto, even though the contract dated August 26, 1947 had expired (R., pp. 174-176). Thus, Respondent held that Petitioner's application for a certificate to continue the sale contemplated by the contract of August 26, 1947 and Respondent's granting a certificate for that purpose resulted in an unlimited commitment of Petitioner's gas reserves. Further, the order issued September 12, 1957 held the new contract of August 1, 1957 filed as a rate schedule (which had no effectiveness until the contract dated August 26, 1947 had expired by its own terms) duplicates the contract of August 26, 1947, and the prices in the August 1, 1957 contract embody a change in the effective rates set forth in the contract of August 26, 1947. Thus, Respondent purported to eliminate the term of the 1947 contract. All such action by Respondent was taken without notice or opportunity for hearing.

REASONS FOR GRANTING THE WRIT

I.

The Respondent's Orders Violate Section 7 of the Natural Gas Act.

In one of the early decisions construing the effect of the passage of the Natural Gas Act on contracts of natural gas companies, the Circuit Court of Appeals for the Tenth Circuit in *Colorado Interstate Gas Co.* v. *F.P.C.*, 142 F. 2d 943, 954, held that "* * * The passage of the Act did not automatically overthrow the contracts into which these companies had previously entered. * * *". This decision was affirmed by this Honorable Court in *Colorado Interstate Gas Co.* v. *F.P.C.* (1945), 324 U.S. 581. Thus, when the Natural Gas Act was held applicable to independent producers by this Court's decision in *Phillips Petroleum Company* v. *Wisconsin* (1954) 347 U. S. 672, Petitioner's contract dated August 26, 1947, was not "automatically overthrown" or extended beyond the term thereof. The Court of Appeals for the Tenth Circuit confirms this interpretation by its statement in *Cities Service Gas Co.* v. *F.P.C.*, 255 F. 2d 860, 864, cert. denied U. S. , 3 L. ed. 2d 73 (Ad. Sheets), that the "* * * [Natural Gas] Act * * * abrogates *none* of the usual contract rights except for the reviewing powers granted the Commission upon hearing."[1] The term (duration) of a gas sales agreement is one of the usual provisions and conditions of the agreement and is a very important one. The Commission's orders purport to abrogate that term.

At the date of this Court's *Phillips* decision, *supra*. Petitioner had undertaken only to make the sale con-

[1] Emphasis indicated by italics is supplied unless otherwise indicated.

templated by the contract of August 26, 1947. The *contract terms* quoted above related only to the sale of quantities of gas for a fixed term and *specifically do not dedicate* acreage or leases. Under the law of contracts, that sale was completed on September 3, 1957. Under the plain language of Section 7(c) of the Natural Gas Act, an applicant for a certificate of public convenience and necessity initially proposing a sale subject to the jurisdiction of Respondent clearly has the right to propose the terms and conditions of that sale including the price and duration. This is made abundantly clear by this Court's recent decision in *Atlantic Refining Co.* v. *Public Serv. Comm.* U. S. (Nos. 518 and 536, October Term, 1958), 3 L. ed. 2d 1312, 1318, (Ad. Sheets), by this Court's statement that "* * * Certainly the filing of the application for a certificate did not constitute a dedication to the interstate market of the gas recoverable under these leases * * *." When a sale has been undertaken prior to the date the Natural Gas Act was construed as applicable to independent producers, it is also clear that Petitioner need only seek certificate authority to complete that sale.

As set forth in the Statement herein, Petitioner only sought in the initial certificate application authority to continue the sale undertaken by the contract of August 26, 1947. Under Section 7(e) of the Act, Respondent is required to issue a certificate "* * * authorizing the whole or any part of the * * * sale * * * covered by the application * * *" upon the applicant making the requisite statutory showings including ability to do the acts proposed. Except for the authority in that section to attach conditions, there is no provision in Section 7 of the Act which authorizes

the Commission to amend or alter the proposal set forth in the certificate application. Respondent's order of May 28, 1956 issuing the certificate does not purport to extend the sale beyond the proposal in the application, namely the sale undertaken by the contract of August 26, 1947, and terminating on September 3, 1957, with the expiration of the contract (R., pp. 145-161, 158). As of the date Petitioner filed its initial certificate application, November 30, 1954, or as of the date of the hearing thereon, May 21, 1956, Petitioner did not and could not show ability to continue the sale beyond September 3, 1957, the date the contract of August 26, 1947 expired by its own terms. The contract of August 1, 1957 was not then in existence, and Petitioner had no purchaser for gas produced after September 3, 1957.

Under the foregoing circumstances, Respondent's order issued September 12, 1957, is a holding that the filing of a certificate application to continue a sale pursuant to contract of fixed and limited duration and in which there is no dedication of leases or gas reserves, and the granting of the application without conditions as to term constitutes an unlimited commitment to the interstate market of the gas recoverable under the leases. Such holding clearly exceeds Respondent's authority as Respondent only has authority to issue the certificate for the term sought by Petitioner or to condition the grant on Petitioner's accepting a certificate of unlimited duration.

Respondent has attempted to justify its action throughout these proceedings on the premise that Petitioner must obtain Respondent's approval under Section 7(b) of the Act to cease deliveries pursuant to the contract of August 26, 1947. This Court's decision

in *Atlantic Refining Co.* v. *Public Serv. Comm., supra.*, it is respectfully submitted, shows the fallacy of Respondent's contention. This decision pointed out that "* * * Section 7(e) vests in the Commission control over the conditions under which gas may be initially dedicated to interstate use. Moreover, once so *dedicated* there can be no withdrawal of *that* supply from continued interstate movement without Commission approval * * *". (3 L. ed. 2d at 1319, Ad. Sheets). The crucial question is what did Petitioner dedicate? As the contract of August 26, 1947 clearly discloses, Petitioner only agreed to sell specific volumes of gas for a fixed period. The contract specifically provided there is no dedication of gas reserves or gas. Petitioner's certificate application and the Commission's order of May 28, 1956 issuing the certificate did not purport in any way to vary *that* agreement. Such application and order merely sought and authorized certificate authority to fulfill the commitment to sell specific quantities of gas. Petitioner fulfilled that obligation and commitment on September 3, 1957. Ceasing deliveries after that date could not be an abandonment. In fact, Petitioner lacked certificate authority as of that date to make deliveries under the contract of August 1, 1957. Respondent's orders erroneously seek to extend the ten-year commitment in the contract of August 26, 1947 for the productive life of the leases involved.

II.

The Respondent's Orders Violate Section 4 of the Natural Gas Act.

Petitioner filed the August 26, 1947 contract as its rate schedule pursuant to the requirements of Section 4(c) of the Natural Gas Act. The contract contained all the prices and terms of the sale contem-

plated thereby. One of the terms and conditions of the sale as set forth therein was that it continued for ten years from the date of the initial delivery, September 3, 1947, or to September 3, 1957. As set forth in the preceding section, this Court's holding in *Phillips Petroleum Company* v. *Wisconsin, supra.*, did not abrogate any terms of this contract. The filing of the contract as a rate schedule did not alter in any way the terms of the contract. This Court stated in *United Gas Pipe Line Co.* v. *Mobile Gas Service Corp.*, 350 U. S. 332, 342, 343 that the rate filing" * * * requirements [of the Natural Gas Act] are no more than are necessary to implement §§ 4(c) and 5(a): the filing requirements are obviously necessary to permit the Commission to exercise its review functions * * *" and, in short, the Act "* * * provides only for *notice* to the Commission of the rates established by natural gas companies and for *review* by the Commission of those rates." (Emphasis not added.) While the foregoing statements related to the rate terms of sales contracts filed as rate schedules, the statements would also appear applicable to other contract terms, including the term (duration) of the contract. Respondent took no action with respect to the term of the contract as a rate schedule during the effective term thereof, and the contract, as such, and as a rate schedule expired and had no force and effect on September 3, 1957. After a contract becomes effective as a rate schedule, Respondent's only authority to change the provisions thereof is Section 5(a) of the Act. The record is clear that Respondent did not purport to take any action under Section 5(a) with respect to the provisions of the contract. Additionally, as set forth in the preceding section hereof, Respondent did not purport to condition Petitioner's certificate to

continuing the deliveries beyond the date the contract expired.

There can be no doubt that the new contract dated August 1, 1957, but effective after the expiration of the August 26, 1947 contract, did not and could not affect the term of the August 26, 1947 contract. Under Respondent's holding that the contract rate schedule of August 1, 1957 is a change in the contract rate schedule of August 26, 1947, Respondent has decided either that the filing of such contract as a rate schedule automatically extends the term of the contract, contrary to this Court's decision in the *Mobile* case *supra*., or Respondent has purported to extend the term thereof, which it cannot do without according Petitioner a hearing and making the requisite statutory findings, supported by substantial evidence. Respondent did not take this action.

The Court of Appeals in sustaining Respondent's order, appears to have adopted the theory that the filing of the contract as a rate schedule continued its effectiveness, as it held that "* * * upon the *termination* of a contract fixing a rate which was the subject of an initial rate filing with the Commission, a new contract is made between the same parties for the same service as was provided by the terminated contract but at a higher rate, the new rate is a rate change * * *." (266 F. 2d at 225). As the facts of record disclose and as pointed out by Judge Brown's dissenting opinion (266 F. 2d at 231), the contract of August 1, 1957 was not for a new service. In fact, neither contract provided for a service. They provided for the sale and delivery of quantities of gas for specified periods (R., pp. 43-44, 62, 101-102). The Court of Appeals for the Fifth Circuit pointed out

in *Gulf Oil Corporation* v. *F.P.C.*, 255 F. 2d 556, 557 that "* * * producers are in reality selling gas which they own and are not, in the traditional sense, primarily furnishing a service to the public." In his dissent, Judge Brown stated: "As these producers are not engaged in transportation, the sole basis for jurisdiction is the *sale* for resale * * *" (266 F. 2d at 228, emphasis not added). Even the majority's opinion recognizes the termination (and completion) of the contract of August 26, 1947. To hold under the circumstances that the August 1, 1957 contract results in a change in the August 26, 1947 contract, as a contract or as a rate schedule, is, we respectfully submit, an erroneous interpretation of Section 4 of the Act and one which clearly contravenes this Court's holding as to the effect of filing contracts as rate schedules.

III.

Respondent's Orders Deprive Petitioner of Property Rights Without Due Process of Law.

Petitioner's leases in the Gwinville Field constitute valuable property rights. This Court's holding in *Phillips Petroleum Company* v. *Wisconsin*, 347 U. S. 672, at most subjected these leases to Respondent's regulatory authority *only* to the extent Petitioner had undertaken to sell natural gas for resale in interstate commerce therefrom as of the date of that decision. As of that date, Petitioner retained all other rights to make disposition of additional gas from such leases, subject to Respondent's regulatory authority with respect to any future sales. When Petitioner chose, as it had every right to do, to make a new and unrelated sale to Southern for resale in interstate commerce, it had every right to propose

that sale in accordance with the contract of August 1, 1957, and Petitioner was at liberty to refuse any conditioned certificate proposed by Respondent Cf. *Atlantic Refining Co.* v. *Public Serv. Comm., supra.* When, however, Petitioner proposed its second sale, Respondent, without notice and opportunity for hearing, in effect, ordered Petitioner to continue the sale without limitation as to duration to Southern in accordance with the terms of the expired August 26, 1947 contract. Respondent did, in effect, agree that the Petitioner could file the new and unrelated contract of August 1, 1957 as a change in its rate schedule consisting of the contract of August 26, 1947. When Petitioner filed its contract of August 1, 1957, Respondent suspended it for a period of five months and ordered a hearing with respect to the prices stated therein.

In addition to the substantial monetary loss Petitioner will sustain by Respondent's unauthorized action, Petitioner is denied the property right to propose the new sale negotiated by Petitioner, and to refuse to make the sale on terms which the Commission may impose in a certificate proceeding under Section 7 of the Natural Gas Act. Petitioner respectfully submits that this Court decided in *United Gas Pipe Line Company* v. *Mobile Gas Service Corp., supra.* and *Atlantic Refining Co.* v. *Public Serv. Comm., supra.*, that Petitioner has those rights. Additionally, Respondent has in effect held that all of Petitioner's gas from leases in the Gwinville Field has been committed to a sale to Southern without limitation, contrary to the holdings of this Court in the foregoing decisions. Petitioner's contracts with Southern and all filings Petitioner has made with Respondent.

IV.

This Appeal Involves Important Legal and Other Considerations.

The questions presented are important in the administration of the Natural Gas Act and in providing at stable prices future sources of gas for ultimate public consumption. It has been the practice of producers of natural gas to sell gas pursuant to contracts of fixed duration. The duration of the sale has been an important consideration in fixing other terms of gas sales contracts, including price provisions. This practice has permitted, after the fixed period, a new sale in accordance with the economic conditions prevailing at the date of the new sale. The importance of the stabilizing effect of contractual arrangements in the regulatory scheme of the Natural Gas Act was noted by this Court in its *Mobile* decision, *supra*: "By preserving the integrity of contracts, it permits the stability of supply arrangements which all agree is essential to the health of the natural gas industry." (350 U. S. at 344).

If the terms of gas sales contracts are finally held ineffective, as Respondent has held in this proceeding, then Petitioner has the right, as this Court held in its *Mobile* decision, *supra*, to make *ex parte* rate filings with respect to new sources of gas under which Petitioner can "at will" file notices of changes in its rate schedules (350 U. S. at 343). Clearly, the widespread use of *ex parte* rate filings, in lieu of contracts of fixed duration, would have a material bearing on the stabilizing effect of fixed duration contracts and would raise new issues in determining the economic feasibility of pipeline proposals. According to Respondent's Thirty-fifth Annual Report to Congress, there were some 6,897 independent producer sale

schedules in effect on June 7, 1954, the date of this Court's decision in *Phillips Petroleum Company* v. *Wisconsin*, 347 U. S. 672. Rate filings were made by some 2,141 independent producers during Respondent's fiscal year ending June 30, 1955 (Pp. 108-109). Petitioner believes, based on its general knowledge of the practices throughout the natural gas industry, that a very high percentage of these rate filings consists of contracts of fixed duration. Thus, the questions presented by this petition are important in the administration of the Natural Gas Act.

Judge Brown in his dissent notes that it is implicit in the Court of Appeals' opinion that that Court is apprehensive that administrative regulation will be thwarted if the parties can prescribe the term (i.e., quantity) of the contract (266 F. 2d at 231). Judge Brown points out three reasons why the Court should not be apprehensive in this regard. Additionally, it seems appropriate to point out that in certifying pipeline construction in which the adequacy of the gas supply has been an issue, the Commission's basic consideration has been the estimated volumes of gas committed to the project during the terms of the gas purchase agreements. Hence, it is apparent that gas reserves which have not been committed beyond the terms of sales contracts have had little, if any, effect to date on the availability of adequate gas reserves to justify the certification of pipeline projects.

CONCLUSIONS

Respondent's orders issued September 12, 1957 and November 8, 1957, exceed Respondent's authority under Sections 4 and 7 of the Natural Gas Act, and deprive Petitioner of his Constitutional and property

rights without due process of law. The orders will have a far-reaching effect, and in Petitioner's view, an adverse effect, in the administration of the Natural Gas Act and in making available to the ultimate consumer new sources of natural gas without the stabilizing effect of contracts of fixed duration.

Accordingly, pursuant to Section 19(b) of the Natural Gas Act and Paragraph 1(b) of Rule 19 of the Rules of this Court, Petitioner prays that a writ of certiorari be granted.

Respectfully submitted,

MARTIN A. ROW
EDWIN M. CAGE
P.O. BOX 2880
Dallas, Texas

ROBERT E. MAY
OMAR L. CROOK
MAY, SHANNON AND MORLEY
1700 K Street, N. W.
Washington 6, D. C.

Attorneys for Petitioner

By OMAR L. CROOK

Certificate of Service

I certify that the foregoing Petition for a Writ of Certiorari to the United States Court of Appeals for the Fifth Circuit was served upon Respondent, the Federal Power Commission, by mailing a copy thereof, postage prepaid, to each of the following attorneys for Respondent on the 18th day of August, 1959:

J. Lee Rankin, Solicitor General
Department of Justice
Washington 25, D. C.

Willard W. Gatchell, General Counsel
Howard E. Wahrenbrock, Solicitor
William W. Ross, Attorney
Federal Power Commission
441 G Street, N. W.
Washington 25, D. C.

OMAR L. CROOK,
Attorney for Petitioner
Sun Oil Company